



**HUNGARIAN
CENTRAL
STATISTICAL
OFFICE**

***„Mezo-validation”
in Hungary***

***CONFERENCE OF EUROPEAN STATISTICIANS
Work Session on Statistical Data Editing***

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Definition

- We call it ‘mezo-validation’, in fact it is a complex micro validation
- At company level
- Comparing several statistical and administrative sources
- The term ‘mezo’ in mezo-validation does refer neither to a middle step in the checking phases/order nor to the aggregation of the data under checking. The term simply came to common knowledge in our office in this way.

History in brief

- First idea: in mid 2010
- Set up of a task force: February 2011
- Conceptual framework: mid 2011
- Selection and education of staff: autumn 2011
- Consultation, 'country tour': winter 2011
- Setting up of management teams: end 2011
- Setting up of first annual workplan for 2012
- Development and implementation of quality criteria for statistics of services, 2013
- Development and implementation of quality criteria for investment statistics, 2014
- Implementation of quality criteria for statistics of agriculture, 2015

Objectives

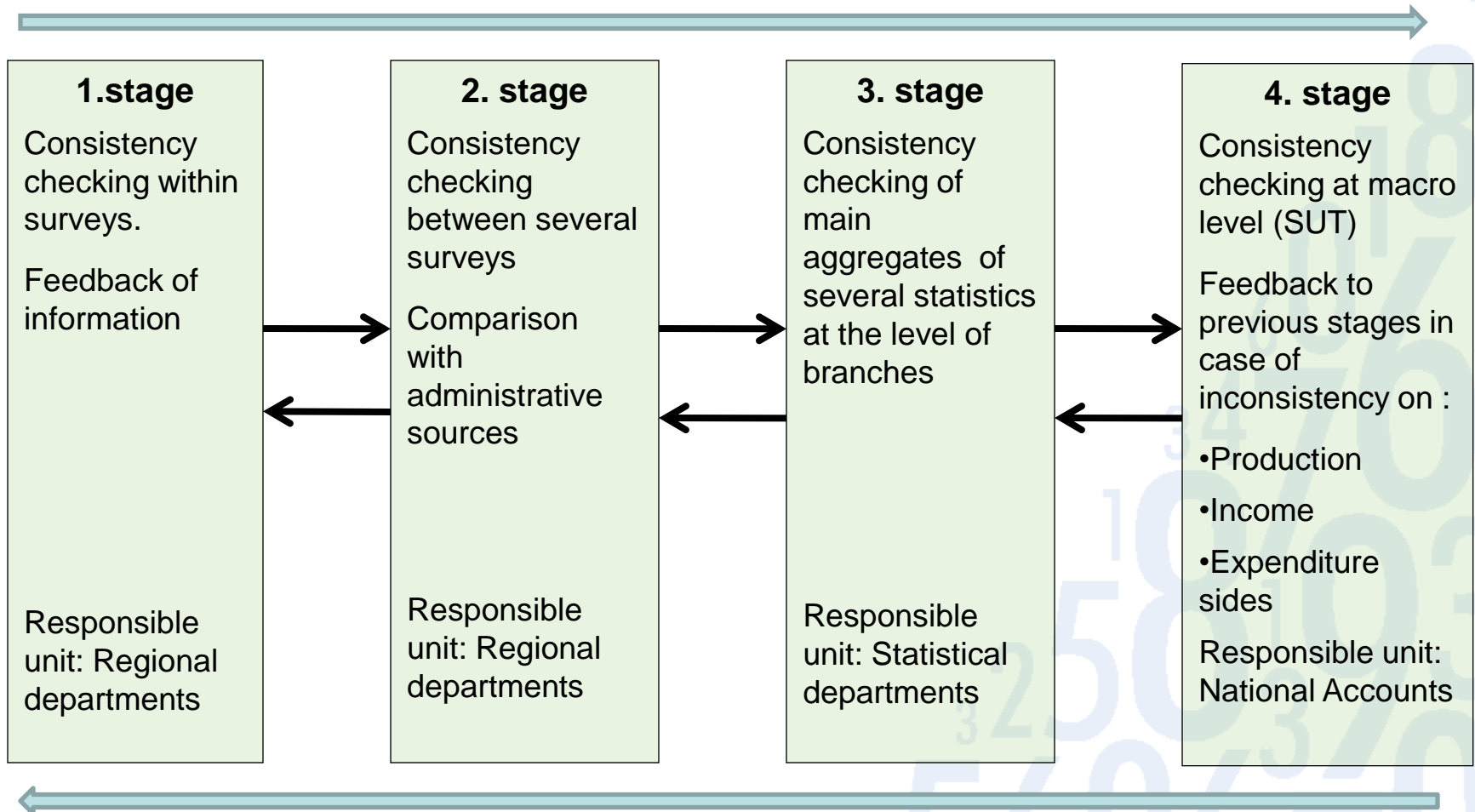
In short term:

- Improve data quality (consistency)
- Improve business register
- Improve relations with respondents

In long term:

- Examination/Investigation of groups of enterprises and multinational enterprises
- Investigation of institutions

Stages of validation work



Scope of units

- TOP 100: a previously existing group of largest units
- TOP 1000: was set up exclusively for this project, based on GVA contribution. GDP of these units represents more than 50 % of the total GDP
- Long term plan: more units, including other types of units

Where are we now?

- Contacts with units, analysis of data, case studies have been made in each region
- Central region is overloaded (50% of top 1000)
- Results are much over the expectations
 - Regional staff is creative
 - Validation of short term statistics in addition to annual data validation.

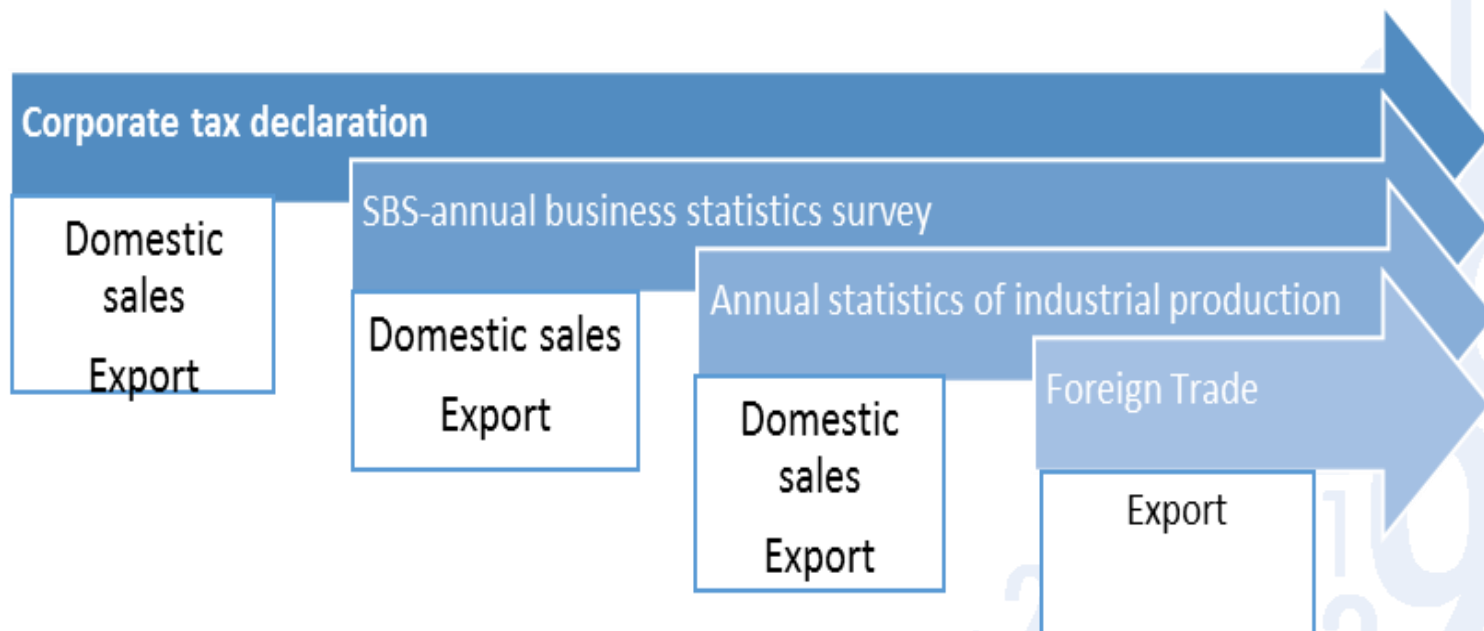
Improvements

Common integrated WEB site for colleagues:

- Minutes of consultation with companies,
- Manuals for IT tools, Hyperion tutorial DVD,
- Documents of education,
- Regional reports,
- Direct link to the electronic reporting system operated by the Ministry of Justice. Easy access to balance sheets and profit and loss accounts of TOP1000.



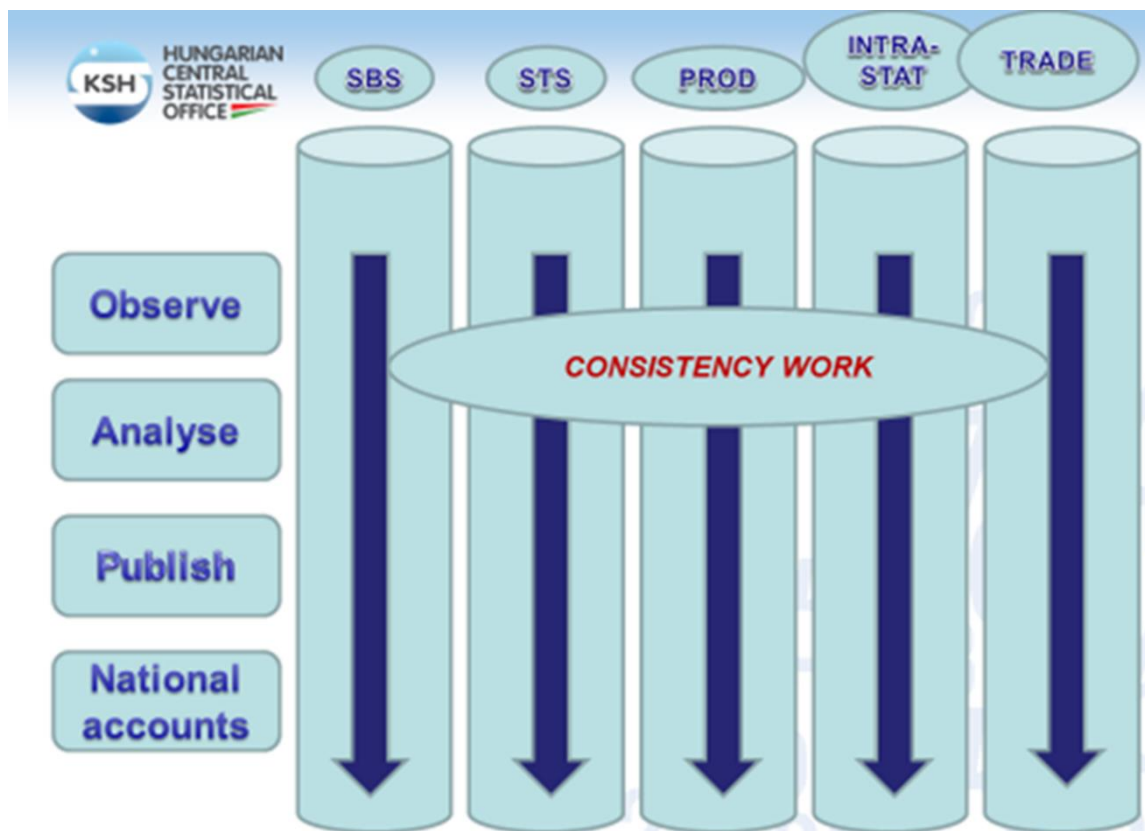
Improvements: mezo-validation in practice



Special tasks within the framework of mezo- validation

1. Comparison of turnover from the corporate tax declaration, SBS, the annual statistics of industrial production, foreign trade
2. Mezo-validation of statistical domains
3. Investigation of sales structure
4. Investigation of codes for shareholder structure
5. Investigation of other receipts data
6. Investigation of export product structure
7. Monitoring big investments

1. Comparison of turnover from the corporate tax declaration, SBS, the annual statistics of industrial production, foreign trade

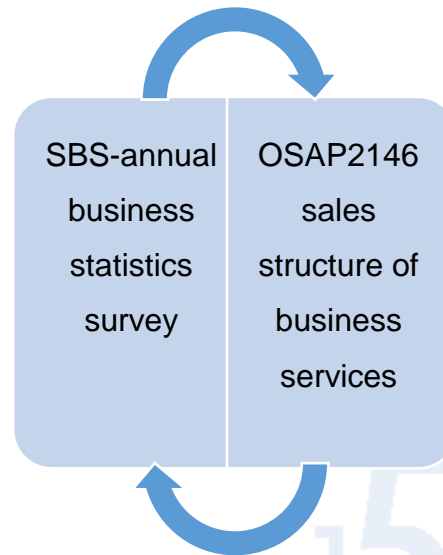


2. Mezo-validation of statistical domains

Comparison to the structure of SBS turnover

Sales structure of business services (Osap 2146)

regional centre responsible for SBS



competency centre responsible for OSAP 2146

2. Mezo-validation of statistical domains (cont.)

- Report about the activity of tour operators and travel agencies (OSAP 1035)
- Report on public accommodation establishments (OSAP 1036)
- Report on the sales of retail trade and catering by commodity groups (OSAP 1646)
- Data on passenger transport by road and railways (OSAP 1183, 2161)
- Data on freight transport by rail (OSAP 1180)



3. Investigation of sales structure



181
62
64
3
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6771204
28

4. Investigation of codes for shareholder structure

Task

Checking the correctness of codes, setting the right codes in the register

Objective

- Right shareholder structure codes in the register.
- Establishing new codes that have been created by the integration of shareholder structure codes and ESA sector codes

If during the annual maintenance of the shareholder structure code for all the top data suppliers the code derived from the corporate tax declaration is different from the code coming from the register, those codes need to be validated separately.

5. Investigation of other receipts data

Task

Validation of other receipts data of enterprises

Details

- Previously, it was not in focus
- It was investigated if the other receipts were more than 500 million Ft, or compared to the past few years the other receipts extremely fluctuated, or in the current year other receipts are not reported but in the previous years the enterprise had other receipts.
- The structure of other receipts is also available gathered from the notes to the financial statements.

6. Investigation of export product structure

Task

Product-level data of export sales from the annual statistics of products are compared with the export product data from the external trade in goods statistics.

Objective

The products reported in both data collections must be harmonized.

Details

The validation covers those data providers that reported data in both statistics,

From above mentioned data providers those have been brought into focus where the aggregated data at NACE level exceeded 1 billion Ft,

Data from the two different data sources had to be made comparable by the help of the CN-CPA correspondence table from Eurostat's homepage.

7. Monitoring big investments

Task

- Big investments need to be monitored,
- investors must be requested (on the basis of press information and internet) and obliged to provide data,
- in particular, the data providers of the government sector.

Future plans

- Comparison of export data by products with data of Industry Product Statistics survey
- Extension of the investigation to a greater scope
- Involve statistical data collections in the most comprehensive way possible
- Further consultations, trainings in the regions
- Overall exchange of working methods

Thank you for your attention!

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